TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: COMMUNITY SERVICES
DATE: MAY 20, 2002 CMR: 226:02

SUBJECT: APPROVAL OF BUDGET AMENDMENT ORDINANCE IN THE AMOUNT OF $25,000, RECEIVING A GRANT FROM THE PALO ALTO ART CENTER FOUNDATION AND TRANSFERRING CITY MATCHING FUNDS OF $25,000 INTO CIP 10204, LIBRARY MASTER PLAN

RECOMMENDATION
Staff recommends that Council approve the attached Budget Amendment Ordinance to accept and expend a $25,000 grant from the Palo Alto Art Center Foundation and approve the transfer of $25,000 in matching funds from the Community Services Department 2001-02 operating budget. This will appropriate a total of $50,000 to CIP 10204, Library Master Plan. These funds are to implement conceptual architectural designs for the expansion and remodeling of the Art Center.

BACKGROUND
The Palo Alto Art Center Foundation is a private, nonprofit 501 c (3) organization founded in 1973 to enhance and support the Palo Alto Art Center (PAAC) through memberships, fundraising activities, and community relations. The Foundation’s 19-member board of directors works with the Art Center and City of Palo Alto to enhance programs and expand non-City sources of funding.

DISCUSSION
The Art Center Foundation is directly supporting the proposed expansion and remodeling project for the Art Center. It has applied for and received a grant from the David and Lucile Packard Foundation for the conceptual design process being undertaken by Mark Cavagnero Associates. The $25,000 Art Center Foundation contribution is to be matched by the City, through the Department of Community Services' operating budget.
**RESOURCE IMPACT**
The attached BAO requests an additional appropriation of expenses and has no impact on the Budget Stabilization Reserve. No future year General Fund ongoing costs are anticipated as a result of this BAO. Total funds of $50,000 will be placed in CIP 10204, Library Master Plan, and will be expended solely for Art Center site and building architectural design work. The funds necessary to match the grant have been budgeted in the Department of Community Services budget for 2001-2002.

**POLICY IMPLICATIONS**
These recommendations are consistent with existing City policies.

**TIMELINE**
Funds will be expended in the 2001-2002 Budget.

**ENVIRONMENTAL REVIEW**
This program is not a project as defined by the California Environmental Quality Act and is not subject to CEQA requirements.

**ATTACHMENTS**
Attachment A: Budget Amendment Ordinance

PREPARED BY: ___________________________
LINDA CRAIGHEAD
Director, Art Center

REVIEWED BY: ___________________________
PAUL THILTGEN
Director, Community Services

CITY MANAGER APPROVAL: ___________________________
EMILY HARRISON
Assistant City Manager